

Article - Environment

[\[Previous\]](#)[\[Next\]](#)

§15-507.

(a) (1) In this section the following words have the meanings indicated.

(2) “Open-acre” means the disturbed area, excluding any area which has not been cleared and grubbed and any area which has been satisfactorily backfilled, regraded, topsoiled, seeded, and mulched (or reclaimed to an alternate post-mining land use) in accordance with an approved reclamation plan, and which will not be redisturbed.

(3) “Open-acre limit” means the number of acres approved to be bonded as open-acres and for which a bond is posted before the issuance of a permit.

(b) (1) After receiving notification from the Department that the permit application has been approved, but before the permit is issued, the operator shall file with the Department a bond for performance payable to the State and conditioned on the operator faithfully performing every requirement of this subtitle, the rules and regulations issued under this subtitle, and permit conditions.

(2) (i) The amount of the bond shall be determined by the Department and may not be less than \$500 per acre or a fraction thereof based on the number of acres of land permitted.

(ii) However, the amount of bond for the open-acre limit approved by the Department in the permit application may not be less than an additional \$1,500 per acre or fraction thereof.

(3) The liability of the operator under the bond shall be for the duration of the open-pit mining operation and for a period coincidental with the operator’s responsibility under § 15-513 of this subtitle.

(c) All bonds required by this section shall be on a form provided by the Department, shall be payable to the State of Maryland, and shall be executed by the operator and a corporate surety licensed to do business in the State. Instead of a corporate surety, any of the following are acceptable:

(1) A deposit of cash or negotiable bonds of the United States government. The cash deposit or market value of the securities shall be at least equal to the required sum of the bond. On receipt of a deposit of cash or securities, the Department immediately shall place it with the State Treasurer, who shall receive

and hold the deposit in trust, in the name of the State for the purposes for which it is made. The State Treasurer is responsible for the custody and safekeeping of the deposit. The operator, making the deposit, may demand and receive from the State Treasurer all or any portion of any deposited securities, if the operator replaces them with other negotiable securities of the class specified as having a market value at least equal to the sum of the bond;

(2) A certificate of deposit in an amount equivalent to the required bond:

(i) Issued by:

1. A financial institution, as defined in § 1–101 of the Financial Institutions Article, that is physically located in the State or that otherwise subjects itself to the jurisdiction of the U.S. District Court for the District of Maryland; or

2. A federal credit union, as defined in 12 U.S.C. § 1752, that is physically located in the State or that otherwise subjects itself to the jurisdiction of the U.S. District Court for the District of Maryland; and

(ii) Accompanied by written agreement of the financial institution or federal credit union to pay on demand to the State in the event of forfeiture; or

(3) An irrevocable letter of credit if it is equivalent to the required bond, issued by a bank that is physically located in the State or that otherwise subjects itself to the jurisdiction of the U.S. District Court for the District of Maryland, and expressly states that the total sum is guaranteed to be available and payable directly to the State on demand in the event of forfeiture. The irrevocable letter of credit may not expire during the anticipated life of the mining activities and the reclamation period thereafter.

(d) The amount of the bonds required by this section shall be sufficient to assure completion of the reclamation plan by the Department in the event of forfeiture and in no case may the bonds required for any permit be less than \$10,000.

(e) The operator shall post an additional bond prior to commencing operations on any additional acreage exceeding that covered by the original permit provided the additional acreage is covered in an application previously submitted and approved in accordance with this subtitle. On receipt of the additional bond the Department shall issue an amended permit for the acreage covered by the additional bond.

(f) An operator may not engage in open-pit mining if he has forfeited any prior bond posted under this section.

(g) When an operator submits the mining and reclamation progress report required under § 15-508(b) of this subtitle, the Department, on advice of the Committee, may adjust the amount of surety required from the operator to assure completion of reclamation and revegetation.

(h) Prior to the release of any bond required by this subtitle, the operator shall publish an advertisement of the release at least once a week for 4 consecutive weeks in a newspaper of general circulation in the jurisdiction affected. The operator shall notify adjoining property owners, local governmental bodies, sewage authorities, and water companies by certified mail. The Department shall afford interested persons an opportunity to submit written comments and to request a hearing on the proposed bond release. Upon receipt of an application for release of bonds, including proof of the advertisement and notifications, the Department shall conduct an evaluation of the reclamation work involved. The Department shall notify the operator in writing of its approval or disapproval. No bond may be fully released until all requirements of this subtitle, rules and regulations adopted pursuant to this subtitle, and permit conditions have been met.

[\[Previous\]](#)[\[Next\]](#)